

रजिस्टर्ड नं० पी०/एस० एम० 14.



राजपत्र, हिमाचल प्रदेश

(असाधारण)

हिमाचल प्रदेश राज्यशासन द्वारा प्रकाशित

शिमला, वीरवार, 12 अप्रैल, 1979/22 चैत्र, 1901

हिमाचल प्रदेश सरकार

हिमाचल प्रदेश विधान सभा सचिवालय

अधिसूचना

शिमला-171004, 23 मार्च, 1979

संख्या 1-27/79-वि० स०.—हिमाचल प्रदेश विधान सभा प्रक्रिया एवं कार्य संचालन नियमावली, 1973 के नियम 135 के अन्तर्गत 'दी हिमाचल प्रदेश शड्यूल्ड कास्ट्स डवैलपमेंट कारपोरेशन बिल, 1979 (बिल नम्बर 13 आफ 1979) जो

हिमाचल प्रदेश विधान सभा में 23 मार्च, 1979 को पुरःस्थापित किया गया है, सर्व साधारण की सूचनार्थ राजपत्र में मुद्रित करने के लिए प्रेषित किया जाता है।

वेद प्रकाश भटनागर,
सचिव।

Bill No. 13 of 1979.

**THE HIMACHAL PRADESH SCHEDULED CASTES
DEVELOPMENT CORPORATION BILL, 1979**

(AS INTRODUCED IN THE LEGISLATIVE ASSEMBLY)

A

BILL

to provide for the establishment of the Himachal Pradesh Scheduled Castes Development Corporation.

BE it enacted by the Legislative Assembly of Himachal Pradesh in the Thirtieth Year of the Republic of India as follows:—

CHAPTER I

PRELIMINARY

1. This Act may be called the Himachal Pradesh Scheduled Castes Development Corporation Act, 1979. Short title

2. In this Act, unless there is anything repugnant in the subject or context,— Definitions

- (a) 'agricultural development' includes development of horticulture, forests, dairy, poultry, piggery, sheep and cattle breeding, pisciculture and sericulture;
- (b) 'Board' means the Board of directors of the Corporation;
- (c) 'Central Government' means the Government of India;
- (d) 'chairman' means the chairman of the Corporation;
- (e) 'Corporation' means the Himachal Pradesh Scheduled Castes Development Corporation, established under section 3;
- (f) 'director' means a director of the Board and includes the chairman;
- (g) 'Government' means the Government of Himachal Pradesh;
- (h) 'margin money' means the margin money required by the financial banking institutions from the beneficiaries;
- (i) 'marketing' means all activities relating to the transport, grading, polling, marketing and sale of agricultural or industrial produce, whether in the primary form or in semi-processed or processed form;
- (j) 'prescribed' means prescribed by rules made under the Act;
- (k) 'processing' means all activities relating to the processing of agricultural produce so as to make it marketable or fit for consumption and includes purchase and shortage of raw-material, purchase of equipment, and purchase, installation and running of machinery, required for processing and storage of finished produce;
- (l) 'scheduled castes' means such castes, races or tribes or parts of or groups within such castes, races or tribes as are deemed under article 341 of the Constitution of India to be scheduled castes;

- (m) 'scheduled castes organisation' means a firm registered under the Partnership Act, 1932, an association registered under the Societies Registration Act, 1860, or a co-operative society registered under the Himachal Pradesh Co-operative Societies Act, 1968 all the partners or members, whereof, as the case may be, belong to scheduled castes;
- (n) 'small scale industry' means such cottage and small scale industry as may by notification in the Official Gazette be specified by the State Government; and
- (o) 'supply and storage' means supply and storage of agricultural inputs and establishment, maintenance and running of storages, cold-storages and warehouses.

9 of 1932
21 of 188
3 of 1969

CHAPTER II

INCORPORATION OF HIMACHAL PRADESH SCHEDULED CASTES DEVELOPMENT CORPORATION AND ITS CAPITAL

3. (1) With effect from such date as the State Government may, by notification, specify in this behalf, the State Government may establish for the purpose of this Act a Corporation known as the Himachal Pradesh Scheduled Castes Development Corporation.

(2) The Corporation shall be a body corporate with the name aforesaid having perpetual succession and a common seal with powers, subject to the provisions of this Act, to acquire, hold and dispose of property and to contract, and may, by that name, sue or be sued.

4. (1) The head office of the Corporation shall be at Simla or at such other place as the State Government may, by notification, specify.

(2) The Corporation may establish its offices or agencies at such places within or outside the State as it may think fit.

5. (1) The authorised capital of the Corporation shall be such sum not exceeding five crores of rupees as the State Government may fix:

Provided that where the capital initially fixed is less than five crores of rupees the State Government may, from time to time, increase the capital to such sum not exceeding five crores of rupees as it may think fit.

(2) Such capital may be provided subject to such terms and conditions as may be determined by the State Government.

Explanation.—The expression 'authorised capital' for the purposes of this section shall not include the grant-in-aid received by the Corporation for the managerial assistance.

CHAPTER III

MANAGEMENT OF THE CORPORATION

6. (1) The general superintendence, direction and management of the affairs and business of the Corporation shall vest in a Board of directors which may exercise all such powers and do all such acts and things as may be exercised or done by the Corporation under this Act.

Establishment of Himachal Pradesh Scheduled Castes Development Corporation.

Head office of Corporation.

Capital of Corporation.

Management.

(2) The Board of directors in discharging its functions shall act having regard to public interest, welfare of scheduled castes and solvency of the Corporation and shall be guided by such instructions on questions of policy as may be given to it by the State Government.

(3) If any doubt arises as to whether a question is or is not a question of policy the decision of the State Government thereon shall be final.

7. (1) The Board shall consist of ten directors who shall be nominated by the State Government;

Board of directors.

Provided that not less than three directors shall be nominated from amongst the officers serving the State Government in the Department of Welfare and the remaining shall be nominated from amongst persons who have special knowledge of industries, handicrafts, animal husbandry, agriculture, agro-industries, water development projects, finance, co-operation or financial institutions:

Provided further that not less than two directors shall be non-official, belonging to scheduled castes communities.

(2) The Minister-in-charge (Welfare) shall be the *ex-officio* director and the chairman.

(3) On the occurrence of any vacancy in the office of a director due to death, resignation or otherwise the same shall be filled up by the State Government in the manner provided in sub-section (1).

(4) Subject to the provisions of this Act, the terms and conditions of appointment of the directors and the fees and allowances payable to them, shall be such as may be prescribed.

8. The term of office of the directors other than the managing director shall be three years and they shall be eligible for reappointment.

Term of office.

9. A person shall be disqualified for being nominated as and for being, a director of the Corporation—

Disqualification of office of director.

(a) if he is, or at any time has been adjudicated insolvent or has suspended payment of his debts or has compounded with his creditors;

(b) if he is of unsound mind and stands so declared by competent court;

(c) if he is or has been convicted of any offence which in the opinion of the State Government involves moral turpitude; or

(d) if he has been removed or dismissed from the service of any State Government or Central Government or a Corporation owned or controlled by any State Government or Central Government.

10. A director who has any direct or indirect pecuniary interest in any matter coming up for consideration at a meeting of the Board or a committee thereof shall, as soon as possible, after the relevant circumstances have come to his knowledge, disclose the nature of his interest at such meeting and the disclosure shall be recorded in the minutes of the Board or the committee, as the case may be, and the director shall not take any part in any deliberation or decision of the Board or the committee with respect to that matter.

Director not to participate in certain case

Removal and
resignation.

11. (1) The State Government may at any time remove any director from office, if in its opinion such director—

- (a) is or has become subject to any disqualification mentioned in section 9;
- (b) is absent without leave of the Board from more than three consecutive meetings thereof without cause sufficient, in the opinion of the Board to exonerate his absence;
- (c) has acted in contravention of the provisions of section 10; or
- (d) has been guilty of misconduct in the discharge of his duties:

Provided that no order of removal shall be passed without giving the director a reasonable opportunity of showing cause against the proposed order.

(2) A director may resign his office by giving notice thereof in writing to the State Government and on such resignation being accepted he shall be deemed to have vacated his office.

Meetings

12. (1) The Board shall meet at such times and places and shall observe such rules or procedure in regard to the transaction of business at its meetings (including the quorum at meetings) as may be provided by regulations.

(2) The chairman of the Board or if for any reason he is unable to attend any meeting any other director elected by the directors present at the meeting, shall preside at the meeting.

(3) All questions which come up before any meeting of the Board shall be decided by a majority of the votes of directors present and voting, and, in the event of an equality of votes, the chairman, or in his absence, the person presiding, shall have and exercise a second or casting vote.

Managing
director.

13. (1) The State Government shall appoint one of the directors, being an officer of the State Government as managing director who shall hold that office during its pleasure.

(2) The managing director shall—

- (a) be its chief executive officer;
- (b) be responsible for the operational management of the Corporation and implementation of the general policies approved by the Board;
- (c) perform such duties as the Board may, by regulations or otherwise, assign to him;
- (d) receive such salary and allowances and be governed by such terms and conditions of service as may be determined by the Board and approved by the State Government.

(3) If the managing director is by infirmity or otherwise rendered incapable of carrying out his duties or is absent on leave or otherwise in circumstances not involving the vacation of his appointment, the State Government may appoint another person to act in his place during his absence.

Defect in
appointment
not to in-
validate acts,
etc

14. (1) No act or proceeding of the Board or any of its committees shall be questioned or be invalid on the ground merely of the existence of any vacancy in, or any defect in the constitution of, the Board or the committee as the case may be.

(2) No act done by any person acting in good faith as a director or member of any committee shall be deemed to be invalid merely on the ground that he was disqualified to be a director or member or there was any other defect in his nomination.

15. (1) The Board may appoint such officers and employees as it considers necessary for the efficient performance of the functions of the Corporation and determine by regulations or otherwise their conditions of appointment and service and the remuneration payable to them.

Officers and other employees of the Corporation.

(2) The Board may, by general or special order, delegate to the managing director or to any other officer or employee of the Corporation, subject to such conditions and limitations, if any, as may be specified, such of its powers and duties under this Act, except the power to make regulations, as it may deem necessary.

(3) The Board shall in respect of reservation of appointments and posts in favour of the members of scheduled castes/scheduled tribes, backward classes, ex-servicemen, physically handicapped and antyodaya families, comply with such directions as may be issued by the State Government from time to time for ensuring adequate representation to such members in the service under the Corporation.

CHAPTER IV

FUNCTIONS AND FUNDS OF THE CORPORATION

16. (1) Subject to the provisions of this Act, it shall be the primary duty of the Corporation to undertake the task of economic uplift of the members of the scheduled castes in the State.

Functions of Corporation.

(2) Without prejudice to the generality of the foregoing provision, such function shall include the power:—

- (i) to plan, promote, undertake, and assist programmes of agricultural development, animal husbandry, marketing, processing, supply and storage of agricultural produce, small scale industries, village industries, cottage industries, and such other trade, business or activity which will enable the member of the scheduled castes to earn a better living and help them to improve their standard of living as may be approved in this behalf by the Government;
- (ii) to undertake programmes for setting up employment oriented industries, cottage and small scale industries etc. by providing technical know-how, managerial assistance, financial assistance and any other form of assistance which may be required in achieving the above objectives;
- (iii) to provide financial assistance to the members of scheduled castes or scheduled castes organisations by advancing to them loans and/or loan toward margin money for any of the purposes specified above either directly or through such agency, organisation or institution as may be approved by the Board;
- (iv) to guarantee loans taken by the members of scheduled castes or scheduled castes organisations from any financial/banking institutions;
- (v) to act as the agent of the Government of Himachal Pradesh or Central Government for procurement, supply and distribution of agricultural or other produce or other goods as and when required to do so;

- (vi) to provide facilities for survey, research or study the problems relating to cottage and village industries, small scale business, to assess potentiality of village cottage and small scale industries and scope of their development with a view to promoting such industries and business for the purpose of providing employment for the members of the scheduled castes ;
- (vii) to arrange for publicity and marketing of the finished products manufactured by the scheduled castes and scheduled castes organisations in the small scale industries;
- (viii) to give grants and subsidies to the members of scheduled castes or scheduled castes organisations on behalf of the State or Central Government or any other Government institution;
- (ix) to borrow money subject to such conditions as the Board may specify;
- (x) to receive gifts, grants and donations;
- (xi) to issue bonds and debentures;
- (xii) to draw, make, accept, endorse, discount, execute and issue promissory notes, bills of exchange, hundies, bills, warrants, debentures and other negotiable instruments;
- (xiii) to invest or deposit surplus funds of the Corporation in Government securities or in such other manner as the Board may decide;
- (xiv) to enter into contracts; and
- (xv) to discharge such other functions as may be prescribed or as are supplemental, incidental or consequential to any of the functions conferred on it under this Act.

Corporation to maintain six funds.

17. The Corporation shall establish and maintain six separate funds, namely:—

- (a) Development and Finance Fund;
- (b) Guarantee Fund;
- (c) Bad Debts Fund;
- (d) Relief and Common Good Fund;
- (e) Grant-in-aid and Subsidies Fund; and
- (f) Loans Fund.

Land Development and Finance Fund.

18. Save as otherwise provided in sections 19, 20, 21, 22 and 23—

- (1) to the Development and Finance Fund shall be credited all amounts that are received by the Corporation from any source whatsoever;
- (2) all amounts that are expended by the Corporation shall be debited to this Fund.

Guarantee Fund.

19. (1) To the Guarantee Fund shall be credited every year such sum as may be placed at the disposal of the Corporation for that purpose by the State Government and the interest accrued from time to time on such sum shall also be added every year to this Fund.

(2) The Corporation may also contribute to this Fund such portion of its net profits as may be decided by the Board.

Bad Debts Fund.

20. To the Bad Debts Fund shall be credited every year—

- (a) by the Corporation ten percentum of its net profits; and
- (b) by the State Government such amount as grant as may be equivalent to the amount credited under clause (a) :

Provided that nothing herein shall be deemed to debar the State Government from giving such amount by way of additional grant for being credited to this Fund as it may think fit.

21. To the Relief and Common Good Fund shall be credited every year such amount not exceeding eight and half percentum of the net profits of the Corporation as the Board may decide. Relief and Common Good Fund.

22. All amounts that are received by the Corporation from any source by way of grant-in-aid or subsidy shall be credited to this Fund, and it shall be used by the Corporation for the purposes for which such grants-in-aid or the subsidies, as the case may be, have been given. Grant-in-aid and Subsidies Fund.

23. All the loans obtained by the Corporation from the various sources financial institutions shall be credited to this Fund and shall be spent for the purpose for which such loans have been obtained. Loans Funds.

CHAPTER V LOANS

24. In making any loan or providing margin money authorised by this Act, the Corporation may impose such conditions as it may think necessary or expedient for protecting the interests of the Corporation: Power to impose conditions for loans.

Provided that the rate of interest chargeable on such loans/ margin money, shall be fixed by the Corporation with the approval of the State Government from time to time.

25. Notwithstanding anything to the contrary contained in any agreement, the Corporation may, by notice in writing, require any debtor to discharge forthwith in full his liabilities to the Corporation— Power to call repayment before agreed period.

- (a) if it appears to the Board that any false or misleading information or particular was given in the application for loan/margin money;
- (b) if the debtor has failed to comply with any of the terms of the agreement entered into by him with the Corporation;
- (c) if there is a reasonable apprehension that the debtor is unable to pay the money due from him; or
- (d) if for any other reason it is necessary to do so to protect the interest of the Corporation.

26. (1) Where any amount is due to the Corporation from any person including the surety of a debtor, in respect of loans or advances or other financial accommodation granted by it, such amount shall, on a certificate being granted by the managing director in the prescribed form, be recoverable as arrears of land revenue by the Collector of the district in which the person from whom the amount is due resides or carries on business or owns any property. Recovery of money due to the Corporation.

(2) The certificate by the managing director under sub-section (1) shall be final and conclusive and shall not be called in question before any authority or court.

(3) For the purpose of recovering any amount due to the Corporation in respect of a loan it shall not be necessary to proceed against the principal debtor before proceeding against the surety.

- (vi) to provide facilities for survey, research or study the problems relating to cottage and village industries, small scale business, to assess potentiality of village cottage and small scale industries and scope of their development with a view to promoting such industries and business for the purpose of providing employment for the members of the scheduled castes ;
- (vii) to arrange for publicity and marketing of the finished products manufactured by the scheduled castes and scheduled castes organisations in the small scale industries;
- (viii) to give grants and subsidies to the members of scheduled castes or scheduled castes organisations on behalf of the State or Central Government or any other Government institution;
- (ix) to borrow money subject to such conditions as the Board may specify;
- (x) to receive gifts, grants and donations;
- (xi) to issue bonds and debentures;
- (xii) to draw, make, accept, endorse, discount, execute and issue promissory notes, bills of exchange, hundies, bills, warrants, debentures and other negotiable instruments;
- (xiii) to invest or deposit surplus funds of the Corporation in Government securities or in such other manner as the Board may decide;
- (xiv) to enter into contracts; and
- (xv) to discharge such other functions as may be prescribed or as are supplemental, incidental or consequential to any of the functions conferred on it under this Act.

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- (f) Loans Fund.

Land Development and Finance Fund.

18. Save as otherwise provided in sections 19, 20, 21, 22 and 23—

- (1) to the Development and Finance Fund shall be credited all amounts that are received by the Corporation from any source whatsoever;
- (2) all amounts that are expended by the Corporation shall be debited to this Fund.

Guarantee Fund.

19. (1) To the Guarantee Fund shall be credited every year such sum as may be placed at the disposal of the Corporation for that purpose by the State Government and the interest accrued from time to time on such sum shall also be added every year to this Fund.

(2) The Corporation may also contribute to this Fund such portion of its net profits as may be decided by the Board.

Bad Debts Fund.

20. To the Bad Debts Fund shall be credited every year—

- (a) by the Corporation ten per centum of its net profits; and
- (b) by the State Government such amount as grant as may be equivalent to the amount credited under clause (a) :

Provided that nothing herein shall be deemed to debar the State Government from giving such amount by way of additional grant for being credited to this Fund as it may think fit.

21. To the Relief and Common Good Fund shall be credited every year such amount not exceeding eight and half percentum of the net profits of the Corporation as the Board may decide. Relief and Common Good Fund.

22. All amounts that are received by the Corporation from any source by way of grant-in-aid or subsidy shall be credited to this Fund, and it shall be used by the Corporation for the purposes for which such grants-in-aid or the subsidies, as the case may be, have been given. Grant-in-aid and Subsidies Fund.

23. All the loans obtained by the Corporation from the various sources financial institutions shall be credited to this Fund and shall be spent for the purpose for which such loans have been obtained. Loans Funds.

CHAPTER V LOANS

24. In making any loan or providing margin money authorised by this Act, the Corporation may impose such conditions as it may think necessary or expedient for protecting the interests of the Corporation: Power to impose conditions for loans.

Provided that the rate of interest chargeable on such loans/ margin money, shall be fixed by the Corporation with the approval of the State Government from time to time.

25. Notwithstanding anything to the contrary contained in any agreement, the Corporation may, by notice in writing, require any debtor to discharge forthwith in full his liabilities to the Corporation— Power to call repayment before agreed period.

- (a) if it appears to the Board that any false or misleading information or particular was given in the application for loan/margin money;
- (b) if the debtor has failed to comply with any of the terms of the agreement entered into by him with the Corporation;
- (c) if there is a reasonable apprehension that the debtor is unable to pay the money due from him; or
- (d) if for any other reason it is necessary to do so to protect the interest of the Corporation.

26. (1) Where any amount is due to the Corporation from any person including the surety of a debtor, in respect of loans or advances or other financial accommodation granted by it, such amount shall, on a certificate being granted by the managing director in the prescribed form, be recoverable as arrears of land revenue by the Collector of the district in which the person from whom the amount is due resides or carries on business or owns any property. Recovery of money due to the Corporation.

(2) The certificate by the managing director under sub-section (1) shall be final and conclusive and shall not be called in question before any authority or court.

(3) For the purpose of recovering any amount due to the Corporation in respect of a loan it shall not be necessary to proceed against the principal debtor before proceeding against the surety.

First charge of Corporation's loans on debtor's property.

27. Notwithstanding anything contained in any law for the time being in force, but subject to the provisions relating to priority of charges in any law made by Parliament and to any prior claim of the Government in respect of land revenue or any money recoverable by it as arrears of land revenue, a loan advanced by the Corporation under this Act together with interests accrued thereon and costs of its recovery, shall be first charge on the property of the debtor.

CHAPTER VI

ACCOUNTS AND AUDIT

Accounts

28. (1) The balance-sheet and accounts including the profit and loss account of the Corporation shall be prepared and maintained in such form and manner as may be prescribed.

(2) The Board shall cause the books and accounts of the Corporation to be balanced and closed on the thirty-first day of March each year.

Audit

29. (1) The accounts of the Corporation shall be audited once in every financial year, by auditors duly qualified to act as auditor under sub-section (1) of section 226 of the Companies Act, 1956, who shall be appointed by the Board and shall receive such remuneration from the Corporation as the Board may fix.

(2) The auditors shall be supplied with a copy of the annual balance-sheet and the profit and loss account of the Corporation and it shall be their duty to examine them together with the accounts and vouchers relating thereto, and they shall have a list delivered to them of all books kept by the Corporation and shall at all reasonable times have access to the books, accounts and other documents of the Corporation and may require from any director or officer of the Corporation such information as the auditors may think necessary for the performance of their duties as auditors.

(3) The auditors shall make a report to the Corporation upon the annual balance-sheet and accounts examined by them and in every such report they shall state whether, in their opinion, the balance-sheet is a full and fair balance-sheet containing all necessary particulars and properly drawn up so as to exhibit a true and fair view of the State of affairs of the Corporation.

(4) The Corporation shall furnish to the State Government, within four months from the date on which its accounts are closed and balanced, a copy of its balance-sheet and accounts together with a copy of the auditors report, and a report on the working of the Corporation during the relevant year.

(5) Without prejudice to anything contained in the preceding sub-sections, the accounts of the Corporation as and when it is considered necessary and expedient to do so in public interest, may also be audited by an agency specifically authorised in this behalf by the State Government from time to time and any expenditure incurred by it in connection with such examination and report shall be payable by the Corporation to such agency.

CHAPTER VII

MISCELLANEOUS

Dissolution of Board.

30. (1) No provision of law other than this Act, relating to the winding up, dissolution or liquidation of the companies or corporations shall apply to the Corporation.

(2) The State Government may, if the Corporation exceeds its powers, or upon receipt of report under section 29, call upon the Board to show cause why it should not be dissolved, and if no explanation is offered within the specified period, or if the State Government is not satisfied with the explanation, it may dissolve the Board from such date as may be specified.

31. (1) When the Board is dissolved under section 30—

Consequences of dissolution of the Board.

- (i) all directors shall, from the date of dissolution, vacate their offices;
- (ii) all powers and duties of the Board shall, during the period of dissolution, be exercised and performed by such person or persons as the State Government may appoint in this behalf;
- (iii) all funds and other property vested in the Corporation shall, during the period of dissolution, vest in the State Government.

(2) The Government may, in its discretion, reconstitute the Board after such period as it may think fit.

32. Save as otherwise expressly provided in this Act, no civil court shall have jurisdiction to entertain any suit or proceeding in respect of any matter which the Corporation or any officer or authority appointed under this Act is empowered by or under this Act to determine, and no injunction shall be granted by any court or other authority in respect of any action taken or to be taken in pursuance of any power conferred by or under this Act.

Bar of jurisdiction.

33. No suit or other legal proceedings shall lie against the Corporation or any director including the managing director, or any officer or employee or any other person authorised by the Corporation to discharge any functions under this Act for any loss or damage caused or likely to be caused by anything which is in good faith done or intended to be done in pursuance of this Act.

Protection of action taken in good faith.

34. The managing director and other employees of the Corporation shall be deemed to be public servants within the meaning of section 21 of the Indian Penal Code.

Employees to be public servants.

35. (1) Every director shall be indemnified by the Corporation against all losses and expenses incurred by him in the discharge of his duties except such as are caused by his own wilful act or default.

Indemnity of directors.

(2) A director shall not be responsible for any other director, or for any officer or other employee, of the Corporation or for any loss or expenses resulting to the Corporation from the insufficiency or deficiency of value of, from the insufficiency or deficiency of value of, or title to, any property or security acquired or taken on behalf of the Corporation in good faith, or anything done in good faith, in the execution of the duties of his office or in relation thereto.

36. All instruments executed by or on behalf of the Corporation in relation to the discharge of its functions shall be exempted from payment of stamp duty and registration fee:

Exemption from registration fee and stamp duty.

Provided that exemption from payment of stamp duty shall apply in the case of such instruments only as are specified in Schedule 1-A to the Indian Stamp Act, 1889.

Power to
make regu-
lations.

37. (1) Subject to the rules made by the State Government under section 38, the Board may make regulations not inconsistent with this Act to provide for all matters for which provision is necessary or expedient for the purpose of giving effect to the provisions of this Act.

(2) In particular and without prejudice to the generality of the foregoing power, such regulations may provide for—

- (a) the time and places of meetings of the Board and the procedure to be followed in relation to such meetings including the quorum necessary for the transaction of business;
- (b) the conditions which the Corporation may impose in granting loans or entering into other arrangements;
- (c) the rate of interest on loans;
- (d) duties which the managing director shall perform;
- (e) the duties, conduct, salary, allowances and conditions of service of officers and other employees of the Corporation;
- (f) the delegation of powers and functions to the officers and employees of the Corporation;
- (g) the establishment and maintenance of provident and other benefit funds for the officers and employees of the Corporation ;
- (h) generally, the efficient conduct of the affairs of the Corporation;
- (i) all matters expressly required or allowed by the Act to be prescribed by regulations.

Power to
make rules.

38. (1) The Government may, by notification, make rules to carry out all or any of the purposes of this Act.

(2) In particular and without prejudice to the generality of the foregoing power, such rules may provide for all or any of the following matters, namely,—

- (a) the terms and conditions of appointment of directors and the fees and allowances payable to them;
- (b) the form in which certificate shall be issued by the managing director ;
- (c) the form and manner in which accounts shall be maintained, and the balance-sheet and profit and loss account shall be prepared ;
- (d) any other matter which is required to be or may be prescribed.

(3) Every rule made under this section shall be laid as soon as may be after it is made, before the Legislative Assembly while it is in session for a total period of ten days, which may be comprised in one session or in two or more successive sessions, and if, before the expiry of the session in which it is so laid or the successive sessions aforesaid the Assembly makes any modification in the rule or decides that the rule should not be made, the rule shall thereafter have effect only in such modified form or be of no effect, as the case may be, so, however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule.

Power to
remove dif-
ficulties.

39. If any difficulty arises in giving effect to the provisions of this Act, the Government may, by order published in the Official Gazette, make such provisions or give such directions not inconsistent with the provisions of this Act, as may appear to it to be necessary or expedient for the removal of such difficulty.

STATEMENT OF OBJECTS AND REASONS

The economic development programmes for Scheduled Castes have been generally taken up under what is known as welfare of backward classes sector. These outlays are extremely inadequate and generally prove to be small distributive schemes which had no perceptible impact on their economic conditions. The Government of India has desired that the family oriented programme under each sector should be quantified and certain percentage out of this outlay should be reserved for Scheduled Castes. Similarly, hamlet-based schemes are also to be quantified under each sector out of which a certain proportion has to be earmarked for Scheduled Castes hamlets on the basis of the degree of deficiency in such hamlets in relation to the concerned service. One of the important problems which comes in accrual of benefits of sectoral programmes to the Scheduled Castes is that the eligibility conditions are not suitably adapted to their specific requirements. Although it is expected that these conditions will be adapted by the concerned authorities, it is a time consuming process and some immediate solution has to be found so that the additional input which may be required by the members of the Scheduled Castes because of their extreme economic conditions can be made good. In some cases, it is a question of some body standing a guarantee for a person who has no property. In yet other cases, the basic difficulty is that the institutions with which the members of the Scheduled Castes are so sophisticated and they find themselves bewildered. Even in the case of normal governmental programmes sometimes procedures are so complex that they are beyond their comprehension. These have been some of the reasons why the Scheduled Castes remain where they are, notwithstanding considerable goodwill which has been in evidence in many quarters. The economic upliftment of the lowest strata in the Society hamstrung by social disability cannot be achieved but by commitment of the total Government administration concerned with all aspects of development to this task. Never theless, all these efforts have to be brought to a point and method has to be found so that all conceivable obstacles enumerated above can be overcome. It is in the context of this need that the Scheduled Caste Development Corporations have been started in many States. The schemes, these corporations are implementing differ from State to State. The Government of Himachal Pradesh also proposes to set up such a Corporation for the speedy economic development of the Scheduled Castes. The Corporation will provide necessary back-up in the form of guarantee, promotion efforts and also missing inputs, wherever necessary. Its role would, be that of a catalytic and trouble shooter. This Corporation does not, in any way, absolve the concerned sectoral authorities of their direct responsibility. This Corporation will be used, wherever necessary, for taking the programmes further and multiplying the impact of whatever investment has been made for these communities.

SIMLA:
The 23rd March, 1979.

JAGDEV CHAND,
Minister-in-charge.

FINANCIAL MEMORANDUM

Clause 3 of the Bill provides for the establishment of the Scheduled Castes Development Corporation. Clauses 7 (4) and 13 (2) (d) provide that the Directors and the Managing Director of the Corporation shall receive such fees and allowances as may be prescribed. Clause 15 (1) makes provision that the Board of the Corporation may appoint such officers and employees as it considers necessary for the efficient performance of the functions of the Corporation. The remuneration payable to them is to be determined by regulations to be framed by the Board. The expenditure to this extent is to be debited to the Funds of the Corporation. The State Government may have to incur additional expenditure out of the Consolidated Fund of the State under clause 5 by subscribing to the authorised capital of the Corporation to be constituted under clause 3.

As such the non-recurring expenditure to the tune of Rs. 1,00,000 and recurring expenditure to the tune of Rs. 1,36,000 will have to be met from the Consolidated Fund of the Himachal Pradesh by way of grants-in-aid to the Corporation.

MEMORANDUM REGARDING DELEGATED LEGISLATION

Clause 37 of the Bill empowers the Board to frame regulations in regard to the matters mentioned therein. These regulations shall be subject to the rules to be made by the State Government under clause 38.

Clause 38 of the Bill empowers the State Government to make rules in respect of the matters enumerated therein. These rules shall, as soon as may be after they are made, be laid before the Legislative Assembly.

Clause 39 of the Bill empowers the State Government to make an order or to issue such directions not inconsistent with the provisions of the Bill, as may appear to it to be necessary or expedient for the removal of any difficulty which may arise in giving effect to the provisions of the Bill.

This delegation is essential and normal in character.

RECOMMENDATIONS OF THE GOVERNOR UNDER ARTICLE 207 OF THE CONSTITUTION OF INDIA

[Welfare Department File No. WLF. A. (4)-13/77]

The Governor of Himachal Pradesh, having been informed of the subject-matter of the Himachal Pradesh Scheduled Castes Development Corporation Bill, 1979, recommends under Article 207 of the Constitution of India, its introduction in, and consideration by, the Legislative Assembly.